

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR SESSION
MEETING OF THE BOARD OF DIRECTORS OF
THE FOREST VIEW ACRES WATER DISTRICT
AND THE BOARD OF DIRECTORS OF THE
WATER ACTIVITY ENTERPRISE
HELD
May 28, 2009**

A regular meeting of the Board of Directors of the Forest View Acres Water District and the Board of Directors of the Water Activity Enterprise (referred to hereafter as "Board") was held on Thursday, May 28, 2009, at 6:00 p.m., at the Tri-Lakes Fire Station No. 1, 18650 Highway 105, Monument, Colorado. This meeting was open to the public.

ATTENDANCE

In attendance were Directors:

Richard T. Crocker
Anne Bevis
Eckehart Zimmermann
Eugene Ashe

Absent was Steven Keefer, whose absence was excused.

Also in attendance were:

Joel Meggers; Community Resource Services ("CRS")
Erik Tamer; Southwest Water Company
Gordon Vaughan; Attorney for Mary Neece

ADMINISTRATIVE
MATTERS

Director Crocker called the meeting to order at 6:00 p.m. Mr. Meggers distributed for the Board's approval the proposed agenda. Following discussion, upon motion duly made by Director Ashe and seconded by Director Zimmerman, vote was taken and the agenda was approved unanimously as amended.

MINUTES

The Board reviewed the minutes of the April 23, 2009 Regular Board meeting. Director Ashe moved the minutes be approved as presented. Upon a second by Director Zimmermann, vote was taken and motion carried unanimously.

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LEGAL ITEMS

Wilde Update – Wilde's case will be going to trial. The Board requested that a conference call be scheduled including Richard Crocker, Anne Bevis, Paul Rufien and Joel Meggers.

Fiala Update – Fiala's case will be going to trial August 6.

OPERATIONS REPORT

Mr. Tamerler presented the April/May operations report for the Board's review, a copy of which is attached to these minutes and incorporated herein.

Monthly Production Report – Mr. Meggers presented and reviewed the Monthly Production Report with the Board.

Design of Extension of Main Line, New Connection Points, New Meters and Service lines for the Nevins, Peterhoof and Wilde Properties – Director Zimmerman is going to meet in the field with the Nevins and field personnel to do a walk through on how to design the piping and meters. The policy the Board intends to pursue is the District obtains easements on the private property to own and maintain the lines and have each property have their own meter.

DIRECTOR'S ITEMS

Mount Herman Natural Gas Drilling – Director Bevis reported that she had no update at this time.

CAPITAL ITEMS

Storage Tank Improvement Project – Director Crocker explained that this item is on hold until they find out if the District will be awarded the Grant money.

Phase I Transmission Line Realignment - Director Crocker explained that this item is on hold until they find out if the District will be awarded the Grant money.

Energy and Mineral Impact Grant Application – Director Bevis report that they should be hearing back in June regarding the application.

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Grant and Low Interest Loan Opportunities – Director Bevis reported that she has made contact with Mr. Swanson regarding additional funding sources.

OTHER BUSINESS Gordon Vaughn presented his May 22, 2009 letter to the Board, a copy of which is attached to these minutes and incorporated herein. He requested that the penalties assessed against the Neece availability of service account be waived. After consideration, the Board denied his request as they did not feel that the reasons he gave justified waiving the penalties.

FINANCIAL MATTERS

Review and Approve Payment of Claims

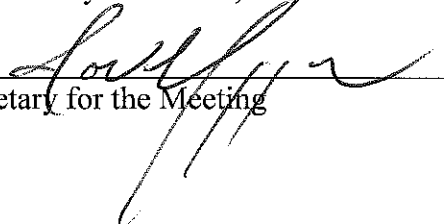
Mr. Meggers requested that the Board consider payment of the claims represented by check numbers 2285 - 2301 totaling \$32,715.64. Director Bevis moved that the Board approve the payment of claims as amended. The Board put a hold on check #2300 to C & L Backhoe until Erik Tamer from Southwest Water Company could do a final review of the bill. Upon second by Director Zimmerman, vote was taken and motion carried unanimously.

Review Financial Statements

The Board reviewed the financial statements for the period ending April 30, 2009. The Board accepted the unaudited financial statements as presented.

ADJOURNMENT There being no further business to come before the Board, upon motion duly made by Director Bevis, seconded by Director Zimmerman, the meeting was adjourned at 7:30 p.m.

Respectfully submitted,


Secretary for the Meeting

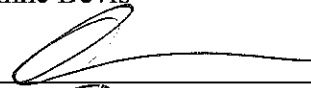
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THESE MINUTES ARE APPROVED AS THE OFFICIAL MAY 28, 2009 MINUTES OF THE FOREST VIEW ACRES WATER DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

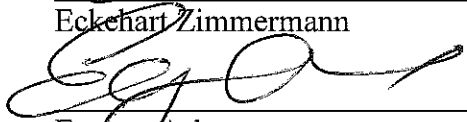


Richard T. Crocker

Anne Bevis



Eckehart Zimmermann



Eugene Ashe

Steven Keefer

Forest View Acres Water District

Operations Report – May, 2009

Prepared by Erik Taneler, Southwest Water Co.

Sampling:

- The required samples were collected. Results are inside the yellow folder in the wall rack in the Arapahoe plant.

Treatment Plants:

Arapahoe Water Plant:

- The plant has been operated steadily since mid April as the sole source for the district.

Transmission Line/Booster Station:

- Normal Operation

Surface Water Plant:

- The plant was taken off-line in mid April due to high turbidities and degradation of the collection channel.
- A new production meter was ordered and picked up on May 21st. Installation will be completed within the next week or so.
- The inlet channel needs to be cleaned out. There are several inches of gravel covering the inlet screen.

Distribution system:

- There was a water main break on May 18th at the intersection of Pixie Park and Sandstone. A pin-hole leak was found in the white pvc pipe, and was repaired with a repair clamp. An improperly marked gas main was damaged and repaired during the excavation.
- On May 7th, Southwest Water Co repaired the leak in the PRV on Red Rock Ranch Road.

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May 22, 2009

VIA E-MAIL (Jmeggers@CRSofColorado.com) AND U.S. MAIL

Forest View Acres Water District
Joel Meggers, District Manager
c/o Community Resource Services, L.L.C.
3855 North Lewiston Street, Suite 140
Aurora, CO 80011

re: Request to be placed on agenda for 5-28-09 board meeting

Dear Mr. Meggers:

As you know, this office represents the estate of Mary E. Neece. That estate owns property at 17990 Granite Circle, Lot 2 Red Rock Ranch, Inc. We have, for some time, corresponded with the Forest View Acres Water District ("District") in an effort to learn the justification for the "availability of service" charges assessed to that property. Most recently, the account was turned over to the El Paso County Treasurer for handling and Bob Neece, Guardian and Conservator for Mary E. Neece, has paid \$5,125, under protest, in order to avoid any ramifications of non-payment of a bill forwarded directly by El Paso County.

However, we have not been satisfied with the response from the District and continue to lack an understanding of the "availability of service" charge. In particular, as you will recall, we sent a letter to you dated January 30, 2009, in which we requested documentation relating to a request from the estate that you had advised triggered the charge. Your August 25, 2008, letter to the Mary E. Neece Revocable Trust states that "when the District receives a request for future water service on a property that is yet to be built upon, a monthly charge is assessed in order to 'hold' this availability until actual water usage is required." We did not receive a response to the January 30, 2009, letter.

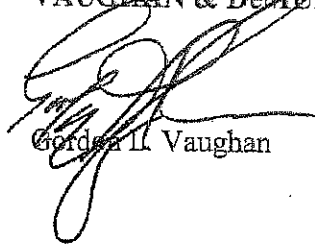
Please allow this letter to serve as a request that you place this item on the agenda for discussion at the board meeting scheduled to take place on May 28, 2009. We intend to be in attendance and would appreciate having the opportunity to have a discussion of the issue by the Board members.

Joel Meggers
Forest View Water District
May 22, 2009
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Thank you for your attention to this matter.

Sincerely,

VAUGHAN & DeMERO



Gordon L. Vaughan

GLV/abs

cc: Bob Neece (via e-mail only)